

Appendix 8

In this appendix underlining indicates new text and striking through indicates deleted text.



The DFSA Rulebook

Anti-Money Laundering, Counter-Terrorist
Financing and Sanctions Module

(AML)

1 INTRODUCTION

1.1 Application

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1.1.2 For the purposes of these Rules, a Relevant Person means:

- (a) an Authorised Firm other than a Credit Rating Agency;
- (b) an Authorised Market Institution;
- (c) a DNFBP; or
- (d) ~~an~~ a Registered Auditor.

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1.3 Application table

Guidance

* Partially applicable. Relevant Persons should consider these chapters and determine which provisions apply.

Relevant Person	Applicable Chapters			
Authorised Person	1 - 14			
Representative Office	1 - 5	10- 14		
<u>Registered Auditor</u>	1 -8	10 - 14		
Real estate developer or agency	1 - 8	10 - 16		
Law firm, notary firm, or other independent legal business	1 - 8	10 - 16		
Accounting firm, audit firm or insolvency firm	1 - 8	10 - 16		
Company service provider	1 - 8	10 - 16		
Single Family Office	1 - 8	10 - 16		
Dealer in precious metals or precious stones	1 - 8	12	13*	14 - 16
Dealer in high-value goods	1 - 8	12	13*	14 - 16

2 OVERVIEW AND PURPOSE OF THE MODULE

Guidance

1. The AML module has been designed to provide a single reference point for all persons and entities (collectively called Relevant Persons) who are supervised by the DFSA for Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF) and sanctions compliance. Accordingly it applies to Authorised Firms, Authorised Market Institutions, Designated Non-Financial Businesses and Professions (DNFBP), and Registered Auditors, but to each in different degrees. The AML module takes into consideration the fact that Relevant Persons have differing AML risk profiles. A Relevant Person should familiarise itself with this module, and assess the extent to which the chapters and sections apply to it.

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3 INTERPRETATION AND TERMINOLOGY

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3.2 Glossary for AML

Guidance

1. A Relevant Person should note that, in order to make this module easier to read, some of the defined terms in this module have not had the initial letter of each word capitalised in the same way as in other Rulebook modules.
2. Some of the defined terms and abbreviations in this module may also be found in the DFSA's Glossary module (GLO). Where a defined term in this module does not appear in Rule 3.2.1, a Relevant Person should look in GLO to find the meaning.

3.2.1 In this module, the terms and abbreviations listed in the table below have the following meanings:

Auditor	<p>Means a partnership or company that is registered by the DFSA to provide audit services to:</p> <p>(a) an Authorised Person;</p> <p>(b) a Domestic Fund; or</p> <p>(c) a Public Listed Company.</p>
Designated Non-Financial Business or Profession (DNFBP)	<p>Means:</p> <p>(1) The following class of persons whose business or profession is carried on in or from the DIFC:</p> <p>(a) a real estate developer or agency which carries out transactions with a customer involving the buying or selling of real property;</p> <p>(b) a dealer in precious metals or precious stones;</p> <p>(c) a dealer in any saleable item of a price equal to or greater than \$15,000;</p>

Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module (AML)

	<p>(d) a law firm, notary firm, or other independent legal business;</p> <p>(e) an accounting firm, audit firm or insolvency firm;</p> <p>(f) a company service provider; or</p> <p>(g) a Single Family Office.</p> <p>(2) A person who is an Authorised Person or an a <u>Registered Auditor</u> is not a DNFBP.</p>
Prescribed Low Risk Customer	<p>Means any of the following customer types:</p> <p>(a) an Authorised Firm;</p> <p>(b) an Authorised Market Institution;</p> <p>(c) a Financial Institution whose entire operations are subject to regulation, including AML, by a Financial Services Regulator or other competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations and it is supervised for compliance with such regulations;</p> <p>(d) a Subsidiary of a Financial Institution referred to in (c), provided that the law that applies to the parent company ensures that the Subsidiary also observes the same AML standards as its Parent;</p> <p>(e) a law firm, notary firm, or other independent legal business or an equivalent person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations;</p> <p>(f) an accounting firm, <u>Registered Auditor</u> or other audit firm or insolvency firm or an equivalent person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations;</p> <p>.....</p>
<u>Registered Auditor</u>	<u>Has the meaning given to that term in the Regulatory Law 2004.</u>
senior management	<p>Means, in relation to a Relevant Person every member of the Relevant Person's executive management and includes:</p> <p>(a) for a DIFC entity, every member of the Relevant</p>

	<p>Person's Governing Body;</p> <p>(b) for a Branch, the person or persons who control the day to day operations of the Relevant Person in the DIFC and would include, at a minimum, the SEO or equivalent, such as the managing director; or</p> <p>(c) for an <u>a Registered Auditor</u>, every member of the Relevant Person's executive management in the U.A.E.</p>
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14 GENERAL OBLIGATIONS

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14.5 Annual AML return

14.5.1 A Relevant Person which is:

- (a) an Authorised Person;
- (b) a Registered Auditor; or
- (c) a person who is a DNFBP in one of the following classes:
 - ~~(b)~~(i) a real estate developer or agency which carries out transactions with a customer involving the buying or selling of real property;
 - ~~(e)~~(ii) a law firm, notary firm, or other independent legal business;
 - ~~(d)~~(iii) an accounting firm, audit firm or insolvency firm; or
 - ~~(e)~~(iv) a company service provider,

must complete the AML Return form in AFN on an annual basis and submit such form to the DFSA within four 4 months of its financial year end.

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